

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of)
Summit Natural Gas of Missouri's) **File No. GR-2014-0096**
Purchased Gas Adjustment)

STIPULATION AND AGREEMENT

COME NOW the Staff of the Missouri Public Service Commission and Summit Natural Gas of Missouri, Inc., by and through counsel, and hereby submit the following Stipulation and Agreement (“Agreement”), which resolves all outstanding issues in this matter, for the Commission’s approval:

1. This matter originated on October 15, 2013, when Summit Natural Gas of Missouri, Inc. (“SNGMO” or “Company”) filed its required purchased gas adjustments (PGA) and actual cost adjustments (ACA) for its two service territories.¹

2. On October 10, 2014, Staff filed the results of its review of the Company’s billed revenues and actual gas costs for the period September 1, 2012 through August 31, 2013, included in the Company’s ACA filings in this matter.

3. Staff recommended ACA disallowances for imprudence related to the Company’s use of storage capacity in both service areas. SNGMO responded to Staff’s recommended prudence disallowance on December 8, 2014. The Commission granted the parties additional time to discuss the storage issue.

¹ Prior to its most recent rate case, SNGMO operated pursuant to two different tariff books—one for its former MGU system and one for its former SMNG system. Those tariff books were consolidated during SNGMO’s most recent rate case, GR-2014-0086. In this matter, SNGMO filed its PGA/ACA cases as two separate cases, GR-2014-0096 and GR-2014-0097. As SNGMO has consolidated its operations, the Commission consolidated these PGA/ACA cases into a single docket, GR-2014-0096, under which this matter proceeds.

4. SNGMO and Staff exchanged settlement proposals and have arrived at an agreement. The Agreement is attached here as *Appendix A* (HC and NP), and incorporated by reference.

5. Pursuant to the Agreement, SNGMO agrees to adjust ACA account balances. In addition, the Company agrees to incorporate certain storage planning documentation, specifically outlined in the Agreement, into its overall gas supply plan. The Agreement resolves all the outstanding issues in this matter.

General Provisions

6. This Agreement is being entered into solely for the purpose of settling the issues specified in Case No. GR-2014-0096, as consolidated. Unless otherwise explicitly provided herein, none of the signatories to this Agreement shall be deemed to have approved, accepted, agreed, consented or acquiesced to any ratemaking or procedural principle, and, except as explicitly provided herein, none of the signatories shall be prejudiced or bound in any manner by the terms of this Agreement (whether this Agreement is approved or not) in this or any other proceeding, other than a proceeding limited to enforce the terms of this Agreement.

7. This Agreement has resulted from negotiations among the signatories and the terms hereof are interdependent. If the Commission does not approve this Agreement unconditionally and without modification, then this Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof, except as explicitly provided herein.

8. If the Commission does not approve this Agreement without condition or modification, and notwithstanding the provision herein that it shall become void; neither

this Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any signatory has for a decision in accordance with Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the signatories shall retain all procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

9. In the event the Commission approves the specific terms of this Agreement without condition or modification, and as to the specified issues, the signatories waive their respective rights to call, examine, and cross-examine witnesses pursuant to § 536.070(2) RSMo 2000; present oral argument and written briefs pursuant to §536.080.1 RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to RSMo §536.080.2 RSMo 2000; their respective rights to seek rehearing, pursuant to §386.500 RSMo 2000; and their respective rights to judicial review pursuant to §386.510 RSMo 2000. These waivers apply only to a Commission order approving this Agreement without condition or modification issued in this above-captioned proceeding and only to the issues that are resolved hereby. These waivers do not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

10. If requested by the Commission, the Staff may file suggestions or a memorandum in support of this Agreement. Each of the signatories shall be served with a copy of any such suggestions or memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of Staff's suggestions or memorandum, responsive suggestions or a responsive memorandum, which shall also be served on all signatories. The contents of any suggestions or memorandum provided by any signatory are its own and are not acquiesced in or otherwise adopted by the other signatories to this Agreement, whether or not the Commission approves and adopts this Agreement.

WHEREFORE, Staff recommends the Commission issue an order approving this Stipulation and Agreement, to include Appendix A (HC and NP), and order SNGMO to adjust its ACA balances as shown in Appendix A, and to adhere to the gas supply planning provisions contained in Appendix A, and for any other relief the Commission determines is just and reasonable in this matter.

Respectfully Submitted,

**STAFF OF THE MISSOURI
PUBLIC SERVICE COMMISSION**

/s/ John D. Borgmeyer

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**SUMMIT NATURAL GAS
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/s/ Dean L. Cooper

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 30th day of March, 2015.

/s/ John D. Borgmeyer